The Football Association of Ireland
(a company limited by guarantee and
not having a share capital)

Revised Reports and Financial Statements
for the financial year ended
31 December 2017

Registered number: 17081

REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

CONTENTS	**PAGE**

THE FOOTBALL ASSOCIATION OF IRELAND
(a company limited by guarantee and not having a share capital)

DIRECTORS AND OTHER INFORMATION

BOARD OF DIRECTORS

D. Conway	-	President
P. Cooke	-	Vice President (appointed 7 August 2019)
J. Earley	-	Schoolboys & Schoolgirls (appointed 31 July 2019)
J. Finnegan	-	Amateur Adult Football (appointed 31 July 2019)
D. Moran	-	Amateur Adult Football (appointed 7 August 2019)
J. O'Brien	-	Others & Affiliates (appointed 1 August 2019)
M. Heraghty	-	National Leagues (appointed 7 August 2019)
R. Shakespeare	-	National Leagues (appointed 1 August 2019)

NATIONAL COUNCIL MEMBERS

R. Barber
P. Barrett
D. Bradley
T. Browne
D. Cassin
P. Clarke
J. Cleary
M. Conlon
M. Connolly
T. Considine
D. Conway
P. Cooke
P. Costelloe
L. Counihan
N. Cronin
D. Cruise
A. Delaney
P. Dempsey
J. Earley
M. Farrell
J. Finnegan
T. Gains
S. Gilhooly
G. Gorman
J. Hackett
A. Harkin
E. Harrington
P. Harrington
S. Kavanagh
T. Kearney
D. Kelly
J. Hayden
N. Jordan
S. Kavanagh
T. Kearney
D. Kelly
K. Kelly
M. Kiernan
S. Lambert
T. Leahy
M. Lynch
J. MacArdle
T. Martin
T. McAuley
C. McCarthy
J. McConnell
M. McDonald
S. McGuinness
P. McHale
D. Moran
S. Moran
J. Morley
N. Morton
J. Murphy
J. O'Brien
P. O'Brien
S. O'Conaill
D. O'Donnell
T. O'Dowd
N. O'Driscoll
P. O'Halloran
N. O'Mahony
T. O'Mahony
J. O'Regan
M. O'Regan
P. O'Sullivan
G. Perry
J. Power
M. Price-Bolger
J. Rodgers
P. Ryan
F. Smith
P. Treanor
M. Wallace
S. Weafer
C. Young

AUDITORS

Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House
Earlsfort Terrace
Dublin 2

BANKERS

Bank of Ireland
College Green
Dublin 2

SOLICITORS

A. & L. Goodbody
IFSC
North Wall Quay
Dublin 1

REGISTERED OFFICE

National Sports Campus
Abbotstown
Dublin 15

The directors present their revised annual report and the revised audited financial statements of The Football Association of Ireland ("the Association") for the financial year ended 31 December 2017. This report and financial statements replace those originally signed 7 June 2018.

EVENTS AFTER THE BALANCE SHEET DATE

In March 2019, following the Association informing the Office of the Director of Corporate Enforcement (ODCE) that the then CEO and Director provided the Association with a €100,000 loan in 2017, the ODCE requested the Association restate and refile its 2017 financial statements.

In addition, in April 2019, following the Association's Board becoming aware of contracts entered into by the Association and the former CEO and sharing same with its auditors, Deloitte Ireland LLP, filed a H4 form notifying the Companies Registration Office that proper books of account had not been kept. These issues have now been addressed alongside the revision of these financial statements.

The Association was notified subsequent to the year end of the Revenue Commissioners' intention to audit the Association which has resulted in the Association making voluntary prompted and unprompted disclosure statements to the Revenue. These statements disclosed significant underpayment of employment taxes and VAT liabilities in previous years. Further details are provided in note 23 to these financial statements.

As a result of the above the Association undertook a number of investigations which discovered transactions which were not reported in the financial statements for a number of years. These previously undeclared transactions are declared and disclosed in these revised Financial Statements.

Currently the affairs of the Association are also under investigation by the Office of Director of Corporate Enforcement.

In September 2019, the Association agreed a settlement with the former CEO and Director of €462,000.

(i) Payment in lieu of notice	€90,000
(ii) Contribution to former CEO and Director pension fund	€372,000
Total Amount	€462,000

The payment of these amounts is in full and final settlement of liabilities of €1,714,286 as at 31 December 2017 due under two contracts to the former CEO and accrued for in these financial statements under current and non-current liabilities. These financial statements do not contain any reduction to the accrued liability of €1,714,286 as the settlement is regarded as a non-adjusting post balance sheet event in accordance with FRS 102.

GOVERNANCE

As a result of the issues identified above and to assist the Directors in identifying other unrecorded liabilities, the Association undertook/partook in 3 investigations, namely:

1. A detailed forensic review to uncover any undisclosed/incorrectly calculated tax liabilities for the period 2015-2018. This review was conducted in conjunction with an external professional services firm.
2. The commissioning of the Mazars report to investigate specific transactions
3. Participation in the Sport Ireland KOSI audit of the Association

Some of these investigations are ongoing and to date they have revealed the following:

1. A number of contracts and transactions where business justification was uncertain and sufficient approvals were not obtained.
2. There were no procurement policies or procedures in place.
3. The Finance and Audit Committee's operated with no official terms of reference.
4. The absence of internal audit and compliance functions in FAI meant a key safety net was absent from the Association's structure.
5. There was no policy or standard protocol regarding business cases, options appraisal or business justifications.

GOVERNANCE (CONTINUED)

6. In relation to the financial statements for 2017, which were originally approved on 7 June 2018, it was noted that not all relevant audit information had been provided to the Association's statutory auditor.

As a result, the Association, in conjunction with Sport Ireland, commissioned the drafting of a Governance Review Report. This Report was published in June 2019. The report was overwhelmingly adopted by an EGM on 20 July 2019 and implemented at an AGM on 27 July 2019.

The Report contains 78 recommendations, the most significant of these recommendations being:

1. The appointment of a new 12-person Board in accordance with the structures proposed within the report.
2. The composition of the new Board includes 4 Independent Directors and an Independent Chair Person.
3. Chief Executive Officer to no longer be a member of the Board.
4. New robust internal control procedures.
5. Recruitment of a compliance officer.
6. Appointment of a new robust audit risk and compliance committee.

At the time of signing these financial statements, 40% of the 78 recommendations have been implemented.

REVISION OF FINANCIAL STATEMENTS

As a result of the items listed in the Events After the Balance Sheet Date note above, these have resulted in a number of adjustments to the 31 December 2017 financial statements and its comparatives. These adjustments have been reflected in note 23 to these financial statements.

The accounts have been restated to incorporate:

- the impact of a service-related employee bonus and pension arrangement for the former CEO and Director which was previously not accounted for and has subsequently been accrued for,
- reversal of revenue incorrectly recorded in the statement of comprehensive income in relation to a third-party sponsorship agreement where a subsequent unrecorded contract showed that the balance may have been refundable,
- an additional estimated tax liability
- and additional fees incurred in relation to ongoing investigations

The change has resulted in the surplus retained for the financial years 31 December 2017 and 31 December 2016 decreasing by €5,610,802 and €2,277,871 respectively, giving a revised loss of €2,852,739 for 2017 and restated surplus of €66,420 for 2016. These adjustments are further summarised in note 23 to the financial statements.

As noted in note 16 to the financial statements, bank loans of €33.2m as at 31 December 2017 (2016: €34.0m) are restated as current liabilities. This has arisen due to technical covenant breaches which have arisen due to the restated items in the financial statements as outlined in note 23. The covenant breaches may have allowed for debt repayment to be requested on demand on the basis of the loan agreement in place. Subsequent to the year end the Association received covenant waivers from its bankers in relation to technical covenant breaches in 2019, however accounting standards deem this to be a non-adjusting subsequent event, hence require bank debt to be presented in the financial statements as a current liability.

PRINCIPAL ACTIVITY

The principal activity of the Association is the management and direction of Association Football throughout the Republic of Ireland.

RESULTS FOR THE FINANCIAL YEAR AND STATE OF AFFAIRS AT THE FINANCIAL YEAR END AND REVIEW OF THE BUSINESS

The results for the year and state of affairs at the financial year end are set out in the Statement of Comprehensive Income and Balance Sheet respectively.

The following is a summary of the results for the current financial year:

	2017 revised €	2016 as restated €
(Deficit) / Surplus on ordinary activities before grants	**(458,168)**	2,378,481
Development and operating grants to affiliates	**(2,394,571)**	(2,312,061)
Retained (deficit) /surplus for financial year	**(2,852,739)**	66,420

INCOME AND EXPENDITURE

Overall the Association's turnover was €48.4m revised (2016: €49.8m restated). The revenue in 2017 decreased in comparable terms due to the receipt of a significant 4-yearly grant in 2016. Annual operating income year on year remained stable with Match, Commercial, Technical and other income.

During 2018, Sport Ireland assisted the running of the technical department by allocating €2.7m in grants (2016: €2.7m) to the FAI's football programmes.

The Association received sponsorship income of €7.7m in 2017 revised (2016: €7.8m restated).

The underlying retained loss was €2.9m revised (2016 restated: €0.07m surplus) after taking all income, expenditure, investment income, interest costs, amortisation and grants into account.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2017 we had net assets of €14.2m revised (2016: €17.0m restated). The Association has assets of just over €93.4m (2016: €95.7m restated) and bank and other loans of €38.2m (2016: €39m.)

PRINCIPAL RISKS AND UNCERTAINTIES FACING THE ASSOCIATION

As at the date of approval of the financial statements, the Directors have assessed the principal risks and uncertainties facing the Association as below;

Given the financial issues which were uncovered in 2019 relating to prior years, the Association is reliant upon renegotiating existing financing arrangements or through receipt of financial support to enable it to continue as a going concern and meet its liabilities as they fall due. These liabilities relate to both ongoing liabilities from the Association's operations and financing loans received. The Association continues to negotiate with relevant parties for appropriate financing to be obtained.

The Association is also aware of the risks inherent in being able to fund grassroots football related activities where Government funding has been suspended.

The Association is also dependent upon the income generated by the success of the Senior International team by way of ticketing and commercial revenue to enable it to invest in all aspects of football throughout the country. Similar to suspension of government funding, any reduction in revenue generated from the Senior International team may affect the level of investment in grassroots football.

PRINCIPAL RISKS AND UNCERTAINTIES FACING THE ASSOCIATION (CONTINUED)

As with other organisations the Association is conscious of the possible impact of business interruption from a cyberattack and the risks this possesses to being able to continue to operate the Association on a day to day basis. Following an incident in June 2019, the Association has made significant investment in the technological infrastructure of the organisation. This has included; upgrading the Association's server infrastructure, network switches, routers and firewalls, in-house Wi-Fi access, migration of in-house mail and file storage to secured cloud-based storage, and upgrading the corporate antivirus system.

FUNDING AND FUTURE CHALLENGES

The Association remains committed to securing immediate financing to support current working capital requirements. The Association acknowledges the success of centralised television deals negotiated through UEFA which have secured long term TV rights revenue streams which extend to 2022, UEFA Hattrick Programme funding and commercial contracts. These revenues, allied to future income from the resale of premium seats, our day to day revenues, provides a strong for day to day financing of the Association's activities, albeit there is a need to refinance the existing balance sheet position.

The Association, in conjunction with external advisors, is currently drafting a business plan to ensure the future well-being of the Association. This business plan will align with the adoption of the Governance Review Report.

GOING CONCERN

As at the year end, the company had net current liabilities of €57.6m. Since the end of 2017, the Association has incurred additional losses and has had negative operating cashflow. The Association is reliant upon continued financial support from UEFA and the Association's bankers. Since 31 December 2017, the Association has received continuous financial support from UEFA to assist it in meeting its ongoing operations.

As at the date of approval of the financial statements, the Association is in advanced discussions with its bankers in trying to agree long term funding that will enable the Association to meet its liabilities as they fall due and provide financial stability to the balance sheet in the short and medium term. The Association's current Directors are optimistic that an agreement can be reached, however note that this presents a material uncertainty as regards the ability of the Association to meet its liabilities as they fall due.

Further details regarding the adoption of the going concern basis can be found in note 1 to the financial statements.

DIRECTORS & SECRETARY

The present membership of the Board of Directors is set out on page 2 together with their date of appointment to the Board. At the Annual General Meeting held on 27 July 2019, N. Fitzroy, P. Treanor, E. Naughton, M. Hanley, J. McConnell and N. O'Donoghue resigned from the Board of Directors. On the 15 April 2019, M. Cody and E. Murray resigned from the Board of Directors. On the 18 July 2018, T. Fitzgerald resigned from the Board of Directors. On the 26 March 2019 J. Delaney resigned as a director of the company.

In addition, the present National Council members are set out on page 2.

The Company Secretary at 31 December 2017 was Rea Walshe (appointed 20 April 2017).

None of the directors, nor the secretary, held any interests in the company, in accordance with s329 of the Companies Act 2014.

D. Conway has announced his intention to resign as a director at an EGM on 25 January 2020.

ACCOUNTING RECORDS

The measures that the directors have taken to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at the National Sports Campus, Abbotstown, Dublin 15.

We acknowledge that due to issues which have subsequently been uncovered and are disclosed in note 23, we have been required to refile the 2017 financial statements and restate comparative balances. As a result of the revised and restated items detailed in note 23, the current Directors have undertaken steps to satisfy themselves regarding the accuracy of the financial statements and controls. These include the engaging of an external professional services firm to augment the existing finance function, provide support in assessing the financial implications of the items in note 23 and providing recommendations for enhancing the processes and controls of the finance function of the Association going forward.

In addition, another external professional services firm was engaged to perform an investigation of specific transactions. This is ongoing.

STATEMENT ON RELEVANT AUDIT INFORMATION

In the case of each of the persons who are directors at the time the Directors' Report and Financial Statements are approved:

(a) so far as the director is aware, there is no relevant audit information of which the company's statutory auditors are unaware, and

(b) the director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

As also noted in the Governance note above, in relation to the financial statements for 2017, which were originally approved on 7 June 2018, it was noted that not all relevant audit information had been provided to the Association's statutory auditor.

DIRECTORS' COMPLIANCE STATEMENT

As noted above, certain tax obligations were not met during the year ended 31 December 2017 and that led to non-compliance with the Association's relevant obligations under the Companies Act 2014. The Directors have subsequently put new controls and procedures in place.

The Directors have drawn up a compliance policy statement (as defined in section 225(3)(a) of the Companies Act 2014) and arrangements and structures are in place that are, in the Directors' opinion, designed to secure material compliance with the Association's relevant obligations under the Companies Act 2014.

The Directors confirm that these arrangements and structures were reviewed subsequent to the financial year end at a Board meeting on 4 March 2019 and again 5 December 2019. As required by Section 225(2) of the Companies Act 2014, the Directors acknowledge that they are responsible for the Association's compliance with the relevant obligations. In discharging their responsibilities under Section 225, the Directors relied on the advice both of persons employed by the Association and of persons retained by the Association under contract, who they believe have the requisite knowledge and experience to advise the Association on compliance with its relevant obligations.

AUDIT COMMITTEE

Pending the establishment of the new audit risk and compliance committee adopted under the governance report, the entire Board has taken over responsibility for monitoring the effectiveness of the Association's risk management and internal control systems. In addition, the current Board has interacted with the auditors on the operation of this revision of the refiled 2017 accounts.

AUDITORS

The auditors, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, have indicated their intention not to seek reappointment as auditors.

Signed on behalf of the Board of Directors:

Donal Conway	Paul Cooke	Martin Heraghty
President	Vice President	Board Member

Date: 6 Dec 2019

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the directors' report and the financial statements in accordance with the Companies Act 2014.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council* ("relevant financial reporting framework"). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

Deloitte.

Deloitte Ireland LLP
Chartered Accountants &
Statutory Audit Firm

Independent auditor's report to the members of the Football Association of Ireland

Report on the audit of the financial statements

Disclaimer of opinion

We were engaged to audit the revised financial statements of the Football Association of Ireland (the "company") for the year ended 31 December 2017.

We do not express an opinion on the accompanying revised financial statements of the company. Because of the significance of the matters described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these revised financial statements.

We were engaged to audit the revised financial statements which comprise:

- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the statement of cash flows and
- the related notes 1 to 23, including a summary of significant accounting policies as set out in note 1.

The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council.

Basis for disclaimer of opinion

Introduction

As disclosed in the directors report, subsequent to the year end, the company identified a number of accounting issues relating to transactions entered into by the company over a number of years.

As a result of an undisclosed transaction with a director during 2017, the Office of the Director of Corporate Enforcement requested the company to refile revised 2017 financial statements to reflect the transaction. Following internal investigations, further unrecorded and undisclosed transactions were identified which have been outlined in the directors' report and in note 23 to the financial statements.

We took these circumstances into account when planning and executing our audit procedures. The following matters arose during our audit and have resulted in an inability to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the company. These matters are detailed below. The possible effects on the company's financial statements of undetected misstatements in respect of these matters, if any, could be both material and pervasive. As a result of these matters, we were unable to determine the nature, timing and extent of any adjustments which might have been found necessary in order for the company's financial statements to present a true and fair view, and accordingly we have disclaimed our audit opinion.

Going concern

The company has prepared its financial statements on the going concern basis. At the balance sheet date the revised net current liabilities amounted to €57,550,719 and the company has incurred significant losses since that date and will need additional financing in order to meet its liabilities that fall due in the foreseeable future. As disclosed in note 23 to the financial statements, as a result of unrecorded transactions, additional liabilities were identified in the revised financial statements as at 31 December 2017 which result in technical breaches of the company's banking convents.

Continued on next page/

Deloitte.

/Continued from previous page

Independent auditor's report to the members of the Football Association of Ireland

Report on the audit of the financial statements (continued)

Going concern (Continued)

While the company has received some advanced funding from UEFA during 2019 to enable the company to meet some of its current liabilities there is not sufficient audit evidence that the company will be able to meet its liabilities as they fall due. Therefore we were unable to obtain sufficient audit evidence to support the assumption that the company will continue as a going concern.

Completeness of liabilities

As set out in note 23 to the revised financial statements, a number of financial liabilities relating to prior years and arising from previously unrecorded contracts were identified subsequent to the year end and recorded as prior year adjustments in the financial statements. This indicated a material breakdown in internal control relating to management override of controls over a number of years.

As at the date of approval of the revised financial statements, further enquiries are on-going, including an internal independent investigation into transactions with directors and an investigation by the Office of the Director of Corporate Enforcement into company law related matters. It is possible that further unrecorded liabilities may arise as a result of these or other investigations or if additional audit evidence were obtained. In preparing the financial statements, the directors have undertaken internal reviews but have not implemented a sufficiently robust independent process to identify if other unrecorded liabilities exist at the balance sheet date. The internal processes undertaken by the directors do not provide sufficient audit evidence that reduces the likelihood of there being unrecorded liabilities to an acceptable level.

As a result of not obtaining sufficient appropriate audit evidence in respect to the going concern assumption applied by the directors and the completeness of liabilities we were unable to form an opinion on the truth and fairness of the financial statements.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our responsibility is to conduct an audit of the company's financial statements in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law, and to issue an auditor's report. However, because of the matters described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Continued on next page/

Deloitte.

/Continued from previous page

Independent auditor's report to the members of the Football Association of Ireland

Report on the audit of the financial statements (continued)

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2014

Notwithstanding our disclaimer of an opinion on the financial statements, in our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report is consistent with the financial statements; and
- the financial statements are in agreement with the accounting records

Notwithstanding our disclaimer of an opinion on the financial statements, in the light of the knowledge and understanding of the company and its environment obtained in the course of the audit performed subject to the pervasive limitation described above, we have not identified material misstatements in the directors' report.

Matters on which we are required to report by exception

Arising from the limitation of our work referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit.
- we were unable to confirm that the directors' report has been prepared in accordance with the Companies Act 2014
- we were unable to determine whether adequate accounting records have been kept; and
- we are unable to report to you, if in our opinion, the disclosure of directors' remuneration and transactions specified by law are made

Richard Howard

Richard Howard
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, Earlsfort Terrace, Dublin 2

Date: 6 December 2019

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

	Notes	**2017 revised €**	2016 as restated €
TURNOVER	*3*	**48,388,340**	49,754,405
Cost of sales		**(30,410,187)**	(29,295,780)
OPERATING INCOME		**17,978,153**	20,458,625
Administration expenses		**(15,985,386)**	(12,859,083)
OPERATING SURPLUS		**1,992,767**	7,599,542
Interest payable and similar charges	*5*	**(2,450,935)**	(5,221,061)
(DEFICIT) / SURPLUS ON ORDINARY ACTIVITIES BEFORE GRANTS	*6*	**(458,168)**	2,378,481
Development and operating grants to affiliates		**(2,394,571)**	(2,312,061)
(LOSS) / SURPLUS RETAINED FOR THE FINANCIAL YEAR		**(2,852,739)**	66,420

All amounts within the Statement of Comprehensive Income relate to continuing operations.

There is no other comprehensive income for the financial year (2016: none) other than that included above.

The notes on pages 17 to 38 form part of these financial statements.

THE FOOTBALL ASSOCIATION OF IRELAND
(a company limited by guarantee and not having a share capital)

BALANCE SHEET
AS AT 31 DECEMBER 2017

	Notes	**2017 revised €**	2016 as restated €
Fixed Assets			
Tangible assets	*7*	**2,966,496**	3,035,654
Intangible assets	*8*	**58,512,035**	59,806,040
Financial assets	*9*	**25,196,503**	25,196,503
		86,675,034	88,038,197
Current Assets			
Debtors and prepayments	*10*	**6,754,354**	6,713,475
Cash and cash equivalents		-	937,447
		6,754,354	7,650,922
Current Liabilities			
Creditors: Amounts falling due within one year	*12*	**(64,305,073)**	(62,184,445)
Net Current Liabilities		**(57,550,719)**	(54,533,523)
Total Assets less Current Liabilities		**29,124,315**	33,504,674
Creditors: Amounts falling due after more than one year	*12*	**(14,962,665)**	(16,490,285)
NET ASSETS		**14,161,650**	17,014,389
Represented by:			
Capital reserve		**29,775**	29,775
Revenue reserves		**14,131,875**	16,984,614
TOTAL RESERVES		**14,161,650**	17,014,389

The financial statements were approved by the Board of Directors on 6 Dec 2019 and signed on its behalf by:

Donal Conway
President

Paul Cooke
Vice President

Martin Heraghty
Board Member

Date: 6/12/2019

The notes on pages 17 to 38 form part of these financial statements.

THE FOOTBALL ASSOCIATION OF IRELAND
(a company limited by guarantee and not having a share capital)

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

	Capital Reserves €	Revenue Reserves as restated €	Total as restated €
At 1 January 2016 (as previously reported)	29,775	17,220,757	17,250,532
Prior year adjustments (note 23)	-	(1,454,997)	(1,454,997)
At 1 January 2016 (as restated)	**29,775**	**15,765,760**	**15,795,535**
Surplus for the financial year (as previously reported)	-	2,344,291	2,344,291
Prior year adjustments with impact on statement of comprehensive income (note 23)	-	(2,277,871)	(2,277,871)
Surplus for the financial year (as restated)	-	66,420	66,420
Prior year adjustment with balance sheet impact – discounting of long term creditor (note 23)	-	1,152,434	1,152,434
At 31 December 2016 (as restated)	**29,775**	**16,984,614**	**17,014,389**
Surplus for the financial year (as previously reported)	-	2,758,063	2,758,063
Revision to surplus (note 23)	-	(5,610,802)	(5,610,802)
Loss for the financial year (as revised)	-	(2,852,739)	(2,852,739)
At 31 December 2017 (as revised)	**29,775**	**14,131,875**	**14,161,650**

The notes on pages 17 to 38 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

	Notes	2017 €	2016 €
Net cash flows from operating activities before grants	15	**2,950,466**	17,580,435
Payment of development and operating grants to affiliates		**(2,320,307)**	(2,414,306)
Net cash flows from operating activities		**630,159**	15,166,129
Cash flows from investing activities			
Acquisitions of intangible fixed assets		**(418,200)**	(224,277)
Acquisitions of tangible fixed assets		**(355,514)**	(580,338)
Investment Income received		**-**	94
Net cash flows from investing activities		**(773,714)**	(804,521)
Cash flows from financing activities			
Repayments of obligations under leases		**(145,744)**	(215,727)
Repayments of borrowings		**(786,840)**	(9,240,183)
Interest payable and similar charges		**(1,224,415)**	(2,056,431)
Net cash flows from financing activities		**(2,156,999)**	(11,512,341)
Net increase in cash and cash equivalents	14	**(2,300,554)**	2,849,267
Cash and cash equivalents at beginning of financial year		**937,447**	(1,911,820)
Cash and cash equivalents at end of financial year	11	**(1,363,107)**	937,447

The notes on pages 17 to 38 form part of these financial statements.

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding year.

General Information and Basis of Accounting

The Football Association of Ireland is a company limited by guarantee and without share capital incorporated in Ireland. The address of the registered office is given on page 2. The nature of the company's operations and its principal activities are set out in the directors' report on pages 3 to 8.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with the Companies Act 2014 and Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of The Football Association of Ireland is considered to be euro because that is the currency of the primary economic environment in which the company operates. The financial statements are presented in euro.

During 2019, the Association became aware of certain accounting matters relating to prior years where contracts had not been accounted for appropriately. The impact of these is set out in note 23. Following the discovery of these accounting issues, the Association commissioned an independent firm of accountants to investigate possible related party transactions with Directors. This investigation is still on going at the date of approval of the financial statements.

The Directors have also provided additional resources to the finance function to assist in strengthening controls and processes and in helping to deal with the increased burden of work.

Apart from those transactions disclosed in note 23 as requiring adjustment to the previously approved financial statements, no additional material unrecorded transactions have been uncovered subsequent to the year-end which may impact the 2017 refiled financial statements. The Board of Directors are not aware of any further unrecorded transactions which have not been accounted for, however the Board acknowledge that there is a possibility that other unrecorded transactions may exist which have not been accounted for which may be discovered as the ongoing reviews are concluded.

Going Concern

The Association's business activities, together with the factors likely to affect its future development, performance and position are set out in the directors' report.

The Association had a revised loss retained for the financial year of €2,852,739 (2016 restated: €66,420 surplus) and as at the balance sheet date had revised net assets of €14,161,650 (2016 restated: €17,014,389) with revised net current liabilities of €57,550,719 (2016 restated: €54,533,523). The revised net current liabilities excluding deferred income at the balance sheet date was €43,322,406 (2016 restated: €40,244,064).

In 2019 the Association carried out a review of its detailed cash position. The Association is currently in negotiations with its banking partner to secure long term financing to allow it to restructure its existing balance sheet position. At the date of approval of the financial statements, negotiations are on-going. The Association acknowledge the assistance provided by UEFA in providing advances on, however we acknowledge this is a short term solution and it will be necessary in the coming months for the Association to obtain further long term financing.

While the Association is in the process of refinancing its balance sheet and there is uncertainty as regards when this will be finalised, the Directors believe that it is appropriate to prepare these financial statements on a going concern basis.

1. ACCOUNTING POLICIES (CONTINUED)

Taxation

The Association has been granted sporting body status, and accordingly no charge to Corporation tax arises by virtue of Section 235 of the Taxes Consolidation Act, 1997.

Turnover

Turnover comprises the value of sales of goods and services in the normal course of business including gate receipts, sponsorship monies, subventions, marketing, commercial and miscellaneous income.

Turnover from marketing contracts is recognised rateably over the period of the contract or where a fair value can be attributed to an element of a contract when that element has been delivered. Subvention and grant income is recognised over the period when the related cost is recognised.

Tangible Fixed Assets

Tangible fixed assets are stated at cost, net of depreciation and any allowance for impairment. Depreciation is provided on all tangible fixed assets, other than land, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line balance basis over its expected useful life, as follows:

Office, machinery Furniture and equipment	10% – 33% per annum
Motor Vehicles	25% per annum
Training grounds	10% per annum

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives.

In the opinion of the directors, any charge to depreciation on the grounds and related accumulated depreciation would not be material as the value of the assets relate primarily to land.

Intangible Fixed Assets

Intangible fixed assets are stated at cost net of depreciation and any allowance for impairment.

Intangible fixed assets comprise of contributions to New Stadium Limited in respect of the construction of Aviva Stadium and software licences.

The stadium asset is amortised on a straight line basis over a 50 year period in line with the estimated useful life. Software Licences are capitalised at their fair value and amortised on a straight line basis over the shorter of their estimated useful lives or licence duration from the date the software is available for use.

Financial Assets

Financial assets consist of investments in joint venture undertakings together with other financial asset investments held at cost. Investments are carried at cost less provisions for any permanent diminution in carrying value below cost.

1. ACCOUNTING POLICIES (CONTINUED)

Financial Instruments

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified at fair value through surplus or deficit, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(i) Investments

Investments are measured at fair value with changes in fair value recognised through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in joint ventures are measured at cost less impairment.

(ii) Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

Finance Costs

Interest and similar costs are expensed to the Statement of Comprehensive Income over the period to which the loan financing relates. Where the financing related directly to the addition of a fixed asset, such costs were attributed to the related asset.

Finance costs associated with the raising of finance are netted against the related loan and amortised over the period of the loan. Where future contracted revenue cashflows are securitised, the resulting difference between the upfront proceeds and the gross value of the contract is recognised over the period of the related contract as a finance cost.

1. ACCOUNTING POLICIES (CONTINUED)

Pensions

Charges in respect of pension arrangements under a defined contribution pension scheme are charged to the Statement of Comprehensive Income in the year to which they relate.

Grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets.

Grants relating to fixed assets are treated as a deferred credit, which is credited to the Income Statement over the estimated useful lives of the related assets on a straight line basis. Grants relating to non-capital expenditure are credited to the S.O.C.I. in the same period as the related expenditure is incurred.

Foreign Currency

Transactions denominated in foreign currencies are recorded at actual exchange rates as at the date of the transaction. The monetary assets and liabilities denominated in foreign currencies at the year-end are reported at the rates of exchange prevailing at the year-end. All exchange differences are dealt with in the S.O.C.I.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical accounting judgements include;

- the assessment of expected useful lives for fixed assets, both tangible and intangible. Depreciation rates are set by reference to internal estimation of useful lives and benchmarking assets against externally available information,
- assessment of period over which revenue is recognised for contracts which span more than one accounting period and where multiple deliverables may form part of the contract.
- calculation of interest charge on financial instruments.

The key source of estimation is the determination of bad debt provisions at year end where such provisions include an estimation of future cashflows and where they may not reflect the eventual cash receipts.

During 2019, the Association was subject to a Revenue audit. This has resulted in the Association making a voluntary disclosure of underpaid employment taxes and VAT, and consequent interest and penalties to the Irish Revenue Commissioners, estimated at €2,712,721 across the years 2015, 2016, 2017 and 2018. These potential liabilities have yet to be accepted by the revenue authorities. The amounts provided are best estimates of the directors based on the facts presented and after consultations with a professional service firm.

3. TURNOVER

An analysis of the Association's turnover is as follows:

	2017 revised €	2016 as restated €
International match income	**17,361,298**	15,737,201
Commercial income	**16,271,173**	15,968,596
Grants & subvention income	**6,147,300**	9,694,192
Income from technical department courses	**6,180,956**	5,411,455
Other income	**2,427,613**	2,942,961
	48,388,340	49,754,405

In addition to this revenue, the FAI also received benefits from sponsors in the form of discounts and usage of sponsors' equipment. The value of this sponsorship is not reflected in the turnover figure.

All income arose in the Republic of Ireland.

During the year the FAI received grant funding from the Young Peoples Facilities and Services Fund 2 (YPFSF 2) - Football in the Community Officers funding €361,778 (2016: €344,550), Department of Justice €45,022 (2016: €Nil), Sport Ireland €2,707,910 (2016: €2,707,910), Department of Foreign Affairs and Trade Emigrant Support Programme €Nil (2016: €55,000), Department of Children and Youth Affairs €Nil (2016: €40,750), Dublin Waste to Energy Project Grant - Community Gain €Nil (2016: €2,000), DCYA / CDYSB – General Fund Youth Employability Grant €Nil (2016: €15,000) Dun Laoghaire Rathdown County Council - Young People Facilities & Services Fund €23,535 (2016: €22,415) and Kildare Wicklow ETB - Young People Facilities & Services Fund €23,536 (2016: €22,415), Dormant Account funding €18,000 (2016: €Nil). These grants have been expended for the purpose for which they were intended.

4. STAFF COSTS

	2017 revised €	2016 as restated €
Wages and Salaries	**11,117,506**	11,529,647
Social welfare costs	**1,274,989**	924,959
Pension costs	**365,853**	328,911
	12,758,348	12,783,517

Average number of persons employed (including directors) was:

	Number	Number
Management	**13**	13
Administration and operations	**184**	169
	197	182

As outlined in note 23, balances have been revised for 2017 and restated for 2016 to reflect additional contractual remuneration payable to the former CEO / director and additional payroll taxes.

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2017 Revised	2016 Restated
	€	€
Interest payable on overdraft and loans payable within 5 years	**1,607,946**	4,247,460
Unwinding of discount (Note 12)	**390,909**	500,000
Unwinding of discount on other creditors (note 12)	**274,063**	133,689
Interest and penalties on additional tax disclosure	**178,017**	339,912
	2,450,935	5,221,061

6. (DEFICIT) / SURPLUS ON ORDINARY ACTIVITIES BEFORE GRANTS

	2017 revised	2016 as restated
	€	€
(Deficit) / surplus on ordinary activities before grants is arrived at after charging:		
Directors' Remuneration:		
- Directors emoluments –detailed below	**863,061**	1,084,425
- Officers' emoluments	**79,905**	75,957
Tangible fixed asset depreciation	**391,253**	474,849
Intangible fixed assets amortisation	**1,712,205**	1,533,262
Operating lease charge - land & building	**2,794,605**	2,794,605

Including in the operating result for the period are exceptional professional fees of €2,496,736 incurred in dealing with the matters outlined in note 23.

	2017 revised	2016
	€	€
Auditors' Remuneration (including VAT) is as follows:		
- Audit of company's accounts	**165,190**	58,985
- Other assurance services	**11,255**	17,068
- Tax advisory services	**4,305**	18,087
- Other non-audit services	**50,984**	8,632
	231,734	102,772

6. (DEFICIT) / SURPLUS ON ORDINARY ACTIVITIES BEFORE GRANTS (CONTINUED)

Directors emoluments has previously been disclosed as €360,000 (2016: €360,000). The refiled figure for 2017 and restated comparative period amount arise due to contracts with the former CEO and director that had not been previously recorded. These include:

- a contract entered into by the Association and the former CEO and Director
- personal expenses paid by the Association on behalf of the former CEO and Director (net of reimbursements) and related benefit in kind tax payable. These amounts are still subject to agreement with the revenue authorities as set out in note 2.

Officers' emoluments represents set fees paid to executive board members.

	2017 revised €	2016 as restated €
Director's' Remuneration:		
Aggregate emoluments paid to or receivable by directors - in respect of qualifying services	**434,490**	655,854
Aggregate amount of money receivable by directors under long term incentive schemes in respect of qualifying services (including deferred pension arrangements outlined below)	**428,571**	428,571
Total	**863,061**	1,084,425
- Fees paid to directors (Officers' emoluments)	**79,905**	75,957
Aggregate defined contribution pension payments payable in respect of qualifying services of a director	**285,714**	285,714

7. TANGIBLE ASSETS

	Football Grounds €	Office Machinery, Furniture and Equipment €	Training Grounds €	Total €
Cost or valuation				
At 1 January 2017	725,504	3,802,280	1,960,861	6,488,645
Additions	48,208	233,258	74,048	355,514
Disposals	-	(74,263)	-	(74,263)
As at 31 December 2017	**773,712**	**3,961,275**	**2,034,909**	**6,769,896**
Depreciation				
At 1 January 2017	-	3,199,026	253,965	3,452,991
Charge for the financial year	-	190,868	200,385	391,253
Disposals	-	(40,844)	-	(40,844)
At 31 December 2017	**-**	**3,349,050**	**454,350**	**3,803,400**
Carrying value				
At 31 December 2017	**773,712**	**612,225**	**1,580,559**	**2,966,496**
At 31 December 2016	725,504	603,254	1,706,896	3,035,654

Grounds represent the Associations interest in United Park in Drogheda, Ferrycarrig Park in Wexford, St. Colman's Park in Cobh, the FAI Centre of Excellence in Glanmire, Cork and Ray McSharry Park in Sligo. Training grounds represent the Associations interest in National Sports Campus and AUL sports ground.

Included in Furniture and Equipment are assets held under finance leases with a net book value of €276,389 (2016: €363,554). The depreciation charge on these assets amounted to €129,118 (2016: €111,729).

8. INTANGIBLE ASSET

	Stadium Contributions €	Software Licences €	Total €
Cost or valuation			
At 1 January 2016	69,376,193	1,296,122	70,672,315
Additions	-	224,277	224,277
As at 31 December 2016	69,376,193	1,520,399	70,896,592
Additions	-	418,200	418,200
As at 31 December 2017	**69,376,193**	**1,938,599**	**71,314,792**
Depreciation			
At 1 January 2016	8,846,603	710,687	9,557,290
Amortisation in financial year	1,399,524	133,738	1,533,262
At 31 December 2016	10,246,127	844,425	11,090,552
Amortisation in financial year	1,399,524	312,681	1,712,205
At 31 December 2017	**11,645,651**	**1,157,106**	**12,802,757**
Net Book Value			
At 31 December 2017	**57,730,542**	**781,493**	**58,512,035**
At 31 December 2016	59,130,066	675,974	59,806,040

9. FINANCIAL ASSETS

	2017 €	2016 €
Investments:		
Prize bonds	**1,270**	1,270
Unquoted investments	**1**	1
Investments in joint ventures (Note 17)	**25,195,232**	25,195,232
	25,196,503	25,196,503

10. DEBTORS AND PREPAYMENTS

	2017 €	2016 €
Amounts falling due within one year:		
Trade debtors	**3,980,940**	2,464,425
Loans to clubs and leagues	**452,854**	508,893
Prepayments & Other Debtors	**993,610**	2,192,552
Accrued Income	**1,326,950**	1,547,605
	6,754,354	6,713,475

10. DEBTORS AND PREPAYMENTS (CONTINUED)

Loans to clubs and leagues includes bridging finance advanced to clubs and leagues to cover capital expenditure in advance of them receiving other financial aid and normal loans to clubs and leagues, the terms of which are specific to each individual loan.

Included in debtors and prepayments is €452,854 (2016: €508,893) of debtors which are due after one year.

11. CASH AND CASH EQUIVALENTS

	2017 €	2016 €
Cash at bank and in hand	**-**	937,447
Bank Overdraft	**(1,363,107)**	-
Cash and cash equivalents at the end of financial year	**(1,363,107)**	937,447

12. CREDITORS

	2017 revised €	2016 as restated €
Amounts due within one year:		
Bank and other loans (Note 16)	**33,223,160**	34,010,000
Bank overdraft	**1,363,107**	-
Deferred Income	**14,228,313**	14,289,459
Trade creditors	**6,786,060**	8,879,666
Accruals	**4,961,676**	2,138,113
Service-related Director bonus (Note 23)	**571,428**	428,571
Other creditors grants	**108,690**	101,911
PAYE/PRSI payable	**2,559,147**	2,019,994
VAT payable	**358,800**	197,800
Finance lease obligations	**144,692**	118,931
	64,305,073	62,184,445

	2017 revised €	2016 as restated €
Amounts due after more than one year:		
Other loans (Note 16)	**5,000,000**	5,000,000
Deferred Income	**2,848,512**	4,914,032
Finance lease obligations	**215,978**	237,855
Service-related Director bonus (Note 23)	**1,142,857**	857,143
Other creditors	**5,755,318**	5,481,255
	14,962,665	16,490,285

12. CREDITORS (CONTINUED)

Bank loans of €33.2m as at 31 December 2017 (2016: €34.0m) are presented as current liabilities. This has arisen due to technical covenant breaches which have arisen due to the restated items in the financial statements as outlined in note 23. The covenant breaches may have allowed for debt repayment to be requested on demand on the basis of the loan agreement in place. Subsequent to the year end the Association received covenant waivers from its bankers in relation to technical covenant breaches in 2019, however accounting standards deem this to be a non-adjusting subsequent event, hence require bank debt to be presented in the financial statements as a current liability.

Included in deferred income is €3,065,286 (2016: €4,107,705) of net revenue arising under a securitised sponsorship agreement where the net revenue was received upon commencement of the contract. Gross revenue from this contract is recognised rateably over the contract period with an implied interest chargeable to the income and expenditure account was €390,909 (2016 €500,000).

Included in other creditors is a discounted liability of €5,755,318 (2016:€5,481,255) arising on an option agreement entered into with a sponsor in 2016 (see note 23 for further details). The implied interest chargeable to the income and expenditure account was €274,063 (2016: €133,689) (Note 5) which arises on the unwinding of the discounted amount.

Included in deferred revenue is €2,000,000 (2016: NIL) of advances received from UEFA in respect of future TV funding. These advances are liable to interest at a rate of 4% per annum up until 15 August 2020.

Included in Creditors are finance leases of €360,670 (2016: €356,786) which are broken down as follows:

	2017 revised €	2016 as restated €
Amount due within one year	**144,692**	118,931
Amount due between two and five years	**215,978**	237,855
	360,670	356,786

13. FINANCIAL INSTRUMENTS

The carrying value of the financial assets and liabilities are summarised by the categories below:

	2017 revised €	2016 as restated €
Financial assets		
Debt instruments measured at amortised cost		
Loans receivable (Note 10)	**452,854**	508,893
Measured at cost less impairment		
Other investments (Note 9)	**25,196,503**	25,196,503
Measured at fair value through Profit & Loss		
Bank (Note 12)	**-**	937,447
Measured at undiscounted amounts receivable		
Debtors and prepayments (Note 10)	**4,974,550**	4,656,977
	30,623,907	31,299,820

	2017 revised €	2016 as restated €
Financial Liabilities		
Measured at amortised cost		
Bank loans and other loans (Note 12)	**38,223,160**	39,010,000
Obligations under finance leases (Note 12)	**360,670**	356,786
Other creditors (Note 12)	**5,755,318**	5,481,255
Measured at undiscounted amounts payable		
Bank overdraft (Note 12)	**1,363,107**	-
Trade creditors and other payables	**16,488,658**	14,623,198
	62,190,913	59,471,239

14. ANALYSIS OF NET DEBT/FUNDS

	1 January 2017 restated €	Movement revised €	**31 December 2017 revised €**
Bank balance	937,447	(2,300,554)	**(1,363,107)**
	937,447	(2,300,554)	**(1,363,107)**
Debt due within one year (Note 12)	(34,500,000)	(875,000)	**(35,375,000)**
Debt due after one year (Note 12)	(4,510,000)	88,160	**(4,421,840)**
	(39,010,000)	(786,840)	**(39,796,840)**
Net Debt	(38,072,553)	(3,087,394)	**(41,159,947)**

15. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2017 revised €	2016 as restated €
Surplus on ordinary activities	**1,992,767**	2,378,481
Depreciation of tangible fixed assets	**350,809**	474,849
Amortisation of intangible fixed assets	**1,712,205**	1,533,262
(Increase) / decrease in debtors & prepayments	**(40,879)**	2,813,039
(Decrease) / increase in creditors & accruals	**(1,064,436)**	10,380,804
Net cash inflow from operating activities	**2,950,466**	17,580,435

16. BANK AND OTHER LOANS

	2017	2016
	€	€
Bank and other loans are due as follows:		
Amount due within one year	**33,625,000**	34,500,000
Capitalised borrowing costs	**(401,840)**	(490,000)
Amount due between one and two years	**1,000,000**	-
Amount due between two and five years	**4,000,000**	5,000,000
	38,223,160	39,010,000

Bank loans of €33.2m (including related capitalised borrowing costs) as at 31 December 2017 (2016: €34.0m) are presented as current liabilities. This has arisen due to technical covenant breaches which have arisen due to the restated items in the financial statements as outlined in note 23. The covenant breaches may have allowed for debt repayment to be requested on demand on the basis of the loan agreement in place. Subsequent to the year end the Association received covenant waivers from its bankers in relation to technical covenant breaches in 2019, however accounting standards deem this to be a non-adjusting subsequent event, hence require bank debt to be presented in the financial statements as a current liability.

17. INVESTMENT IN JOINT VENTURES

New Stadium Designated Activity Company

(i) The Association holds 2 shares of €1 in New Stadium DAC (2016: 2 shares), representing a 50% interest in its issued share capital. New Stadium DAC was formed as a joint venture with the Irish Rugby Football Union to develop Aviva Stadium and has its registered address at Earlsfort Terrace, Dublin 2. The disclosure requirements in relation to New Stadium Limited as required by FRS102, are as outlined below and are for the year ended 31 December 2017. The following details the Associations 50% share of each balance:

	2017	2016
	€'000	€'000
Turnover	**5,723**	5,314
Operating loss	**(1,291)**	(1,408)
Loss after tax	**(1,574)**	(1,759)
Fixed assets	**166,573**	170,776
Current assets	**2,762**	3,307
Liabilities due within one year	**(3,663)**	(4,011)
Liabilities due after one year	**(83,199)**	(85,852)
Net Assets	**82,473**	84,220

During the financial year New Stadium DAC charged the Association €3,219,275 (2016: €3,082,187).

17. INVESTMENT IN JOINT VENTURES (CONTINUED)

New Stadium Designated Activity Company (continued)

of which €2,544,605 is an annual licence fee, in relation to use of the stadium and ancillary usage costs. This licence fee is payable over the useful life of the stadium which has been determined as being a minimum of 30 years, which is due to expire in 2040. As at the financial year end, an amount of €522,237 (2016: €437,123) is payable by the Association to New Stadium DAC which in included in trade creditors and accruals.

During the financial year, the Association received a dividend of €175,000 (2016: €Nil) from New Stadium DAC.

AUL-FAI Limited

(ii) The Association hold 100,000 ordinary shares in AUL-FAI Limited, a company incorporated to manage and develop the AUL complex in Clonshaugh, Co Dublin. AUL-FAI Limited was formed as a joint venture with the Athletic Union Football League and has its registered address at Clonshaugh, Co Dublin. The disclosure requirements in relation to New Stadium Limited as required by FRS102, are as outlined below and are for the year ended 31 December 2017. The following details the Associations 50% share of each balance:

	2017	2016
	€'000	€'000
Turnover	**160**	156
Operating profit / (loss)	**10**	(13)
Profit / Loss after tax	**9**	(15)
Fixed assets	**1,066**	1,096
Current assets	**2**	2
Liabilities due within one year	**(51)**	(84)
Liabilities due after one year	**(428)**	(435)
Net Assets	**589**	579

During the financial year, the Association paid rental fees for the use of the facilities at the AUL Complex of €162,000 (2016: €162,000). As at financial year end, an amount of €Nil (2016: €36,066) is payable by the Association to AUL-FAI Limited which is included in trade creditors and accruals.

During the financial year, the AUL Complex made loan repayments to the Association of €50,000 (2017: €Nil). As at financial year end, an amount of €27,775 (2016: €77,775) is payable by the AUL-FAI Limited to the Association which is included in debtors & prepayments.

18. AFFILIATED BODIES

The activities of the Affiliated Bodies listed below are not incorporated in these financial statements as they are independently run bodies;

Colleges Football Association of Ireland
Defence Forces Athletic Association
F.A.I. Junior Council
F.A.I. Schools
Irish Soccer Referees' Society
Irish Universities Football Union
Schoolboys Football Association of Ireland
Football for All

19. SPORT IRELAND

Grant received of €2,707,910 (2016: €2,707,910) from Sport Ireland during the financial year have been expended for the purpose for which they were intended by the Irish Sports Council/Sport Ireland.

The Irish Sports Council/Sport Ireland grant of €2,707,910 is allocated across the following programmes:

	2017	2016
	€	€
Grassroots	**740,000**	740,000
FAI Education	**305,000**	305,000
Player Development	**400,410**	400,410
Central & Regional Development Staff	**1,120,000**	1,120,000
Women in Sport	**142,500**	142,500
	2,707,910	2,707,910

20. RELATED PARTY TRANSACTIONS

The total remuneration for key management personnel for the period totaled €942,966 (2016: €1,160,382). Key management includes: Chief Executive Officer, President, Vice President, Honorary Secretary, Honorary Treasurer and Chairman of the National League Executive Committee. Remuneration includes salaries paid, honorarium and expenses incurred where there is a personal; benefit. The figure previously recorded in the 2017 financial statements was €430,000 (2016: €430,000). The difference relates to additional personal expenses subsequently identified as such and two previously unrecorded employment contracts where the remuneration had not been recorded.

On 27 April 2017, Chief Executive Officer John Delaney provided the Association with an interest free bridging loan of €100,000 due to short term cash flow issues. The loan was repaid in full on 23 June 2017.

There were no payments made in 2017 by the Association on behalf of the Chief Executive for rental accommodation (2016: €36,000). The Chief Executive was afforded the use of a company car during the year. The value of this benefit in 2017 was €2,369 (2016: €1,800) and is included in directors' emoluments.

The total grants paid to affiliates of the Board of Directors in 2017 was €292,981. In addition, total income received by the Association from affiliates of the Board of Directors in 2017 was €16,900.

21. GUARANTEES, COMMITMENTS AND CONTINGENT LIABILITIES

The Association has entered into bank guarantees. The maximum amounts guaranteed were €244,030 as at 31 December 2017 (2016: €252,013).

The Association has provided security and guarantees on loan balances encompassing charges over certain bank accounts, receivables, including future contracted receivables and first floating charge over the Association's property, assets and undertakings. The Association also issued a joint and several letter of undertaking in conjunction with the IRFU to secure a bank guarantee issued by New Stadium DAC, trading as Aviva Stadium, in favour of Iarnród Éireann in the amount of €2,250,000.

The Association has entered into a loan agreement with Oscar Traynor Coaching and Development Centre. The Association has agreed to lend €40,000 per annum from 30 May 2014 until 30 May 2034. The total amount paid as at 31 December 2017 was €150,000 (2016: €110,000).

The Association also agreed to the purchase 50% of Ray MacSharry Park in Sligo. The purchase price was €150,000 payable in equal instalments over 10 years. As at 31 December 2017, total payments made were €30,000 (2016: €15,000).

As set out in note 1 the Directors are not aware of any further unrecorded transactions which have not been accounted for, however the Directors acknowledge that there is a possibility of contingent liabilities arising from various investigations by the Revenue Commissioners, ODCE and other bodies where it is not possible to assess present obligations.

The Association has received funding and grants of €5,000,000 (2016: €5,000,000) from UEFA which are repayable on demand in certain circumstances including termination or suspension of UEFA membership or failure to comply with certain financial solvency obligations

Total future minimum lease payments under non-cancellable operating leases (land and buildings) and license fees payable to New Stadium DAC are as follows:

	2017	2016
	€	€
- within one year	**2,794,605**	2,794,605
- between one and five years	**11,178,420**	11,178,420
- after five years	**49,552,890**	52,347,495
	63,525,915	66,320,520

22. EVENTS AFTER THE BALANCE SHEET DATE

In March 2019, following the Association informing the Office of the Director of Corporate Enforcement (ODCE) that the then CEO and Director provided the Association with a €100,000 loan in 2017, the ODCE requested the Association restate and refile its 2017 financial statements.

It was subsequently discovered that the Association had entered into two contracts with the then CEO and Director. 1) a service-related employee bonus and 2) a deferred pension arrangement, neither of which were reflected in either Board minutes or the payroll and personnel records of the Association. The financial effect was an annual charge of €428,571 from 2014 for a term of 7 years, broken down as follows:

(i) Service-related Director bonus - €142,857 per annum
(ii) Deferred pension arrangement - €285,714 per annum

In addition, following an internal investigation, it was noted that certain expenses incurred during 2017 and 2016 by the then CEO were of a personal nature and these have been now disclosed as part of directors employments.

In April 2019, the Association became aware of an option contract with a commercial partner which resulted in previously recognised revenue being refundable due to an option which was available to the commercial partner. The impact of this option agreement, being to reverse revenue previously recognised is included in these revised financial statements as disclosed in note 23.

During 2019, the Association was subject to a Revenue audit. This has resulted in the Association undertaking an internal review and making prompted and unprompted disclosure statements to the Revenue Commissions. These statements disclosed significant underpayment of employment taxes and VAT liabilities in previous years. Further details are provided in note 23 to these financial statements.

Currently the affairs of the association are also under investigation by the Office of Director of Corporate Enforcement.

In September 2019, the Association agreed a settlement with the former CEO and Director of €462,000.

(i)	Payment in lieu of notice	- €90,000
(ii)	Contribution to former CEO and Director pension fund	- €372,000
	Total Amount	€462,000

The payment of these amounts is in full and final settlement of liabilities of €1,714,286 as at 31 December 2017 due under two contracts to the former CEO and accrued for in these financial statements under current and non-current liabilities. These financial statements do not contain any reduction to the accrued liability of €1,714,286 as the settlement is regarded as a non-adjusting post balance sheet event in accordance with FRS 102.

23. REVISION OF FINANCIAL STATEMENTS

The accounts have been restated to incorporate the impact of a number of transactions. The impact of these transactions are as follows:

	Note	As previously stated 1 January 2016	Effect of transactions to 1 January 2016	**As restated 1 January 2016**	As previously stated 31 December 2016	Effect of transactions to 31 December 2016	**As restated 31 December 2016**
		€	€	**€**	€	€	**€**
Fixed Assets		89,241,693	-	**89,241,693**	88,038,197	-	**88,038,197**
Current assets		8,074,614	-	**8,074,614**	7,650,922	-	**7,650,922**
Creditors: amounts falling due within one year	i,ii,iii	(28,690,387)	(883,568)	**(29,573,955)**	(27,336,576)	(34,847,869)	**(62,184,445)**
Net current liabilities	i,ii,iii	(20,615,773)	(883,568)	**(21,499,341)**	(19,685,654)	(34,847,869)	**(54,533,523)**
Total Assets less Current Liabilities	i,ii,iii	68,625,920	(883,568)	**67,742,352**	68,352,543	(34,847,869)	**33,504,674**
Creditors: amounts falling due after more than one year	i,iii	(51,375,388)	(571,429)	(51,946,817)	(48,757,720)	32,267,435	**(16,490,285)**
Net Assets	i,ii,iii	17,250,532	(1,454,997)	**15,795,535**	19,594,823	(2,580,434)	**17,014,389**
Capital and reserves	i,ii,iii	17,250,532	(1,454,997)	**15,795,535**	19,594,823	(2,580,434)	**17,014,389**

23. REVISION OF FINANCIAL STATEMENTS (CONTINUED)

	Note	As previously stated 31 December 2017	Effect of transactions to 31 December 2017	**As revised 31 December 2017**
		€	€	**€**
Fixed Assets		86,675,034	-	**86,675,034**
Current assets		6,754,354	-	**6,754,354**
Creditors: amounts falling due within one year	i,ii,iii	(27,863,019)	(36,442,054)	**(64,305,073)**
Net current liabilities	i,ii,iii	(21,108,665)	(36,442,054)	**(57,550,719)**
Total Assets less Current Liabilities	i,ii,iii	65,566,369	(36,442,054)	**29,124,315**
Creditors: amounts falling due after more than one year	i,iii	(43,213,483)	28,250,818	**(14,962,665)**
Net Assets	i,ii,iii	22,352,886	(8,191,236)	**14,161,650**
Capital and reserves	i,ii,iii	22,352,886	(8,191,236)	**14,161,650**

23. REVISION OF FINANCIAL STATEMENTS (CONTINUED)

	Note	As previously stated 31 December 2016	Effect of transactions in the year ended 31 December 2016	**As restated 31 December 2016**	As previously stated 31 December 2017	Effect of transactions in the year ended 31 December 2017	**As revised 31 December 2017**
		€	€	**€**	€	€	**€**
Turnover	iii	50,403,572	(649,167)	**49,754,405**	49,038,340	(650,000)	**48,388,340**
Cost of sales		(29,295,780)	-	**(29,295,780)**	(30,410,187)	-	**(30,410,187)**
Operating Income	iii	21,107,792	(649,167)	**20,458,625**	18,628,153	(650,000)	**17,978,153**
Administration expenses	i,ii,iii	(11,703,980)	(1,155,103)	**(12,859,083)**	(11,476,664)	(4,508,722)	**(15,985,386)**
Operating Surplus	i,ii,iii	9,403,812	(1,804,270)	**7,599,542**	7,151,489	(5,158,722)	**1,992,767**
Interest payable and similar charges		(4,747,460)	(473,601)	**(5,221,061)**	(1,998,855)	(452,080)	**(2,450,935)**
Surplus/(deficit) on Ordinary Activities before Grants	i,ii,iii	4,656,352	(2,277,871)	**2,378,481**	5,152,634	(5,610,802)	**(458,168)**
Development of operating grants to affiliates		(2,312,061)	-	(2,312,061)	(2,394,571)	-	(2,394,571)
Surplus/(deficit) Retained for the Financial Year	i,ii,iii	2,344,291	(2,277,871)	**66,420**	2,758,063	(5,610,802)	**(2,852,739)**

23. REVISION OF FINANCIAL STATEMENTS (CONTINUED)

Explanation of changes to previously reported profit and equity:

i. In 2014, the Association entered into two contracts with the then CEO and Director. 1) a service-related employee bonus and 2) a deferred pension arrangement, neither of which were reflected in either Board minutes or the payroll and personnel records of the Association. The financial effect was an annual charge of €428,571 from 2014 for a term of 7 years, broken down as follows:

(i)	Service-related employee bonus	- €142,857 per annum
(ii)	Deferred pension arrangement	- €285,714 per annum

This amount has been charged in these revised financial statements in the Statement of Comprehensive Income for both 2016 and 2017. In addition, an amount of €857,143 to reflect the prior year amounts has been charged against the opening revenue reserves of 2016 on the Balance Sheet and Statement of Changes in Equity. An amount of €1,714,286 has been included in creditors and accruals to reflect these additional liabilities.

ii. During 2019, the Association was subject to a Revenue audit. This has resulted in the Association making a voluntary disclosure of underpaid employment taxes and VAT, and consequent interest and penalties to the Irish Revenue Commissioners. The liability for 2015 of €597,854 has been charged against the opening revenue reserves of 2016 on the Balance Sheet and Statement of Changes in Equity. The liabilities for 2016 and 2017, of €1,061,750 and €658,116 respectively, have been charged in these revised financial statements in the Statement of Comprehensive Income for both 2016 and 2017. An additional amount, which is not reflected in these financial statements, of €394,998 has been disclosed in relation to 2018, bringing the total disclosure to €2,712,721. These potential liabilities have yet to be accepted by the revenue authorities. The amounts provided are best estimates of the directors based on the facts presented and after consultations with a third party.

iii. In 2016, the Association entered into a 10 year contract with a sponsor which provided for sponsorship rights and access to a corporate box in the Aviva stadium. Revenue was released to the Statement of Comprehensive Income on a straight line basis on this agreement. Also in 2016, a further option agreement was entered into with the sponsor which provided them with the right to terminate and seek repayment of the amount in the sponsorship if exercised from 2019. The Association was served notice of this termination in March 2019. The option agreement had not been provided to the auditors and had not been accounted for in the financial statements for 2016 and 2017. As the revenue recognised in 2016 and 2017 did not meet revenue recognition requirements, being that it was refundable, amounts of €379,167 and €650,000 respectively have been reversed in the Statement of Comprehensive Income. The balance owing has also been reclassed from deferred income to other creditors on the Balance Sheet. The liability has been appropriately discounted in 2016 and 2017 in line with the requirements of FRS 102 and repayment of the balance commenced in 2019 in line with an agreed repayment plan.

As a result of the above, in 2019 the Association has incurred significant professional fees and related costs in relation to the matters above. Due to these issues existing in 2017, the Association has accrued the majority of these professional fees in 2017.

In addition, bank loans of €33.2m as at 31 December 2017 (2016: €34.0m) are presented as current liabilities. This has arisen due to technical covenant breaches. The covenant breaches may have allowed for debt repayment to be requested on demand on the basis of the loan agreement in place. Subsequent to the year end the Association received covenant waivers from its bankers in relation to technical covenant breaches in 2019, however accounting standards deem this to be a non-adjusting subsequent event, hence require bank debt to be presented in the financial statements as a current liability.